

Workforce Supply

- **Unemployment is low, but the region has a 47,600-strong available labor pool, that includes 42,100 underemployed workers who are looking for better jobs.**

The underemployed are willing to commute farther and longer. For the one-way commute, 48 percent are prepared for 20 or more minutes longer and 41 percent will go 20 or more extra miles. Underemployment ranged from 20 percent for Shelby County to 31.3 percent for St. Clair. Shelby County has the largest available labor and Chilton County has the smallest.

Labor Force	172,558
Employed	167,042
Underemployment rate	25.2%
Number of underemployed workers	42,095
Unemployed	5,516
Available labor pool	47,611

Note: Based on August 2005 labor force data.

Source: Center for Business and Economic Research, The University of Alabama and Alabama Department of Industrial Relations.

- **In 2000, about 71,540 residents commuted out of the region for work, compared to 30,140 in-commuters.**

Most commuters worked in Jefferson County, with nearly 50,000 coming from Shelby and St. Clair counties. Significant commuting within the region suggests that the roads and highways must be maintained properly to ensure uninterrupted movement of workers as impeded movement of workers can slow economic development.

The one-way commute takes less than 20 minutes for 51 percent of workers, but more than 40 minutes for 18 percent of workers, with 4 percent of workers taking more than an hour. The commute is less than 10 miles for 38 percent of workers; about 24 percent travel more than 25 miles one-way and 9 percent exceed 45 miles.

- **Region 4 has higher educational attainment and population growth than the state.**

Of the age 25 and over population, 75 percent are high school graduates and 19 percent hold bachelor's or higher

degrees in Alabama, compared to 77 percent and 22 percent, respectively, for Region 4. Shelby County stands out with 87 percent high school graduates and 37 percent bachelor's or higher degree holders; the other counties lag the state. Population rose 9.1 percent from 2000-2004, but grew nearly 2 percent for the state. The 2000-2010 projected population growth is 23 percent for the region and 8.8 percent for Alabama.

Workforce Demand

- **By sector, the top five employers in the region are retail trade; manufacturing; health care and social assistance; educational services, and accommodation and food services.**

These five sectors provided 54,813 jobs, 51 percent of the region total in the second quarter of 2004. Only manufacturing had higher average monthly wages than the \$2,850 regional average.

- **On average about 6,270 jobs were created per quarter from second quarter 2001 to second quarter 2004; average quarterly net job flows was 1,070.**

Job creation is the number of new jobs that are created either by new area businesses or expansion of existing firms. Net job flows reflect the difference between current and previous employment at all businesses.

- **Seven occupations are both high-demand and fast-growing: Receptionists and Information Clerks; Teacher Assistants; Middle School Teachers; Elementary School Teachers; Secondary School Teachers; Bus Drivers, School; and Child Care Workers.**

The teaching occupations listed above do not include special education. The top five high-demand occupations are Cashiers; Combined Food Preparation and Serving Workers; Retail Salespersons; Laborers and Freight, Stock, and Material Movers, Hand; and Waiters and Waitresses. The top five fast-growing occupations are Computer Software Engineers, Systems Software; Computer Software Engineers, Applications; Preschool Teachers; Choreographers; and Medical Assistants.

- **The top 50 highest earning occupations are mainly in health, legal, management, engineering, computer, and postsecondary education fields.**

Almost all high-earning occupations require bachelor's or higher degrees. Four of the top five are health occupations.

- **Fast-growing or high-demand occupations are generally not high-earning.**

Of 35 selected high-demand, 35 selected fast-growing, and 50 selected high-earning occupations, only one occupation—General and Operations Managers—is both high-earning and in high-demand. Five occupations are both high-earning and fast-growing: Computer Software Engineers, Applications; Public Relations Managers; Management Analysts; Computer Systems Analysts; and Education Administrators, Elementary and Secondary School.

Workforce Investment Advisory Areas



- **Employment is currently growing faster than labor force.**

Implications for Workforce Development

- **The region's labor force must grow faster to meet workforce demand by increasing the participation rate.**

Higher demand for workers can reduce commuter outflow, but also presents other challenges to workforce development. Initiatives addressing these challenges might (i) focus on hard-to-serve populations (e.g. out-of-school youth and illiterate adults), (ii) facilitate in-commuting, and (iii) help communities gain new residents, especially since increasing the number of residents is generally more beneficial to communities than in-commuting. Communities in this region, except for Walker County, are experiencing rapid population growth. Hard-to-serve populations are often outside of the mainstream economy, poor, and have difficulty finding work. They are potential labor force participants and investment in training, transportation, child care, infrastructure, etc. may be needed to tap this resource.

- **Economic development should target high-earning industries and workforce development should ensure availability of workers for such industries.**

High-demand and high-growth occupations are common to the leading, but not very high wage, employment sectors. Economic development should aim to diversify and strengthen the regional economy by retaining, expanding, and attracting more high-wage providing industries. Workforce development efforts should prepare workers for these industries.

- **Training in basic skills is very important, but high-earning jobs need resource management, complex problem solving, and systems skills as well.**

Basic skills are important for high-demand, high-growth, and high-earning jobs. This indicates a strong need for training in such skills. Ideally, all high school graduates should possess basic skills so that postsecondary and higher education can focus on other and more complex skills while enhancing these basic skills. Employers should be an integral part of planning for training as they

can help to identify future skill needs and any existing gaps.

- **A highly educated and productive workforce is a critical economic development asset.**

Skill and education requirements for jobs keep rising. There is therefore a very strong need to raise educational attainment in the region. Although this presents challenges to workforce development, it also presents opportunities for economic development through workforce development activities that involve postsecondary and higher education institutions. Higher incomes to graduates from these institutions would help to raise personal income for the region. Raising personal income by improving educational attainment and technological skills for the region is an effective economic development strategy. Thus, workforce development should continuously educate individuals, the public, and legislators about the private and social returns from education. This strategy will encourage individuals to seek to raise their own educational attainment level and also promote public support for education.

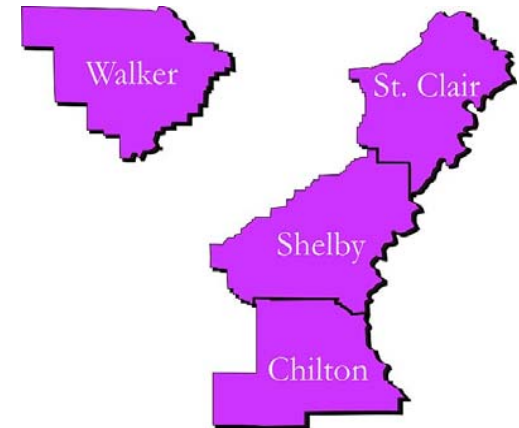
- **Ongoing worker retraining programs should be continued and enhanced.**

This point is well noted in the WIAA Region 4 2005 regional advisory council's annual report with a call for funding for various programs. Alabama has a number of tools to assess, retrain, and place dislocated workers, especially those affected by outsourcing. These programs should be continued to ensure that the labor force participation rate does not fall.

- **Together, workforce development and economic development can build a strong and well-diversified regional economy. Indeed, one cannot achieve success without the other.**

WIAA Region 4

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**ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS
OFFICE OF WORKFORCE DEVELOPMENT**

Tim Alford, *Director*
Linda Bryan, *Executive Assistant*
Alice Schaum, *Regional Advisory Council Coordinator*
401 Adams Avenue, Suite 590
Montgomery, AL 36104
Phone: (334) 353-1490, 1686, 5382
Fax: (334) 353-2005
OWD@adeca.state.al.us
<http://www.owd.alabama.gov>